

103D CONGRESS
1ST SESSION

S. 992

To amend title 10, United States Code, to revise the method for pricing tobacco products for sale in commissaries, exchanges, and ships' stores, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 19 (legislative day, APRIL 19), 1993

Mr. BINGAMAN introduced the following bill; which was read twice and referred to the Committee on Armed Services

A BILL

To amend title 10, United States Code, to revise the method for pricing tobacco products for sale in commissaries, exchanges, and ships' stores, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SALE OF TOBACCO PRODUCTS IN COM-**
4 **MISSARIES, EXCHANGES, AND SHIPS' STORES.**

5 (a) IN GENERAL.—Chapter 147 of title 10, United
6 States Code, is amended by adding at the end thereof the
7 following new section:

1 **“§ 2486. Sale of tobacco products in commissaries, ex-**
2 **changes, and ships’ stores; use of pro-**
3 **ceeds**

4 “(a) Tobacco products may be sold in commissary
5 stores, military exchanges, or ships’ stores subject to the
6 requirements prescribed in subsections (b) and (c).

7 “(b)(1) In the case of a commissary store, military
8 exchange, or ship’s store located in the United States, the
9 price charged for any tobacco product shall be the prevail-
10 ing price charged by private commercial businesses for the
11 retail sale of such tobacco product in the retail market
12 area in which the commissary store, military exchange, or
13 ship’s store is located.

14 “(2) In the case of a commissary store, military ex-
15 change, or ship’s store located outside the United States,
16 the price charged for any tobacco product shall be the av-
17 erage amount charged by private commercial businesses
18 for the retail sale of such product in the United States.

19 “(3)(A) In determining the prevailing price charged
20 or the average price charged by a commercial business,
21 applicable Federal, State and local taxes shall be included.

22 “(B) The prevailing price or the average price may
23 be determined under an appropriate sampling procedure.

24 “(c)(1) The Secretary of a military department may
25 use the profits from the sale of tobacco products by com-
26 missary stores, military exchanges, or ships’ stores under

1 the Secretary's jurisdiction to promote the health and fit-
 2 ness of members of the armed forces and their dependents.

3 “(2) Amounts made available under paragraph (1)
 4 shall remain available for obligation without fiscal year
 5 limitation.

6 “(d) The Secretary of Defense shall prescribe regula-
 7 tions to carry out this section.

8 “(f) In this section:

9 “(1) The term ‘profits’ means the amount
 10 which represents the difference between the price
 11 charged by commissary stores for the sale of tobacco
 12 products and the cost incurred by such commissary
 13 stores for the purchase and sale of such products
 14 (including appropriate amounts for overhead).

15 “(2) The term ‘tobacco product’ includes ciga-
 16 rettes, cigars, tobacco processed for cigarette or pipe
 17 smoking, and tobacco processed for oral use.

18 “(3) The term ‘United States’ includes the
 19 Commonwealth of Puerto Rico and the territories
 20 and possessions of the United States.”.

21 (b) CONFORMING AMENDMENT.—The table of sec-
 22 tions at the beginning of such chapter is amended by add-
 23 ing at the end thereof the following new section:

“2486. Sale of tobacco products in commissaries, exchanges, and ships' stores;
 use of proceeds.”.

1 **SEC. 2. EFFECTIVE DATE.**

2 The amendments made by section 1 shall take effect
3 on October 1, 1993.

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